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SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 08/31/09

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ARTICLES:

(1) Attention focused on "equal Japan-U.S. alliance" in DPJ foreign policy; priority might be given to Asia

The Democratic Party of Japan (DPJ), which will assume political power shortly, included in its policy manifesto for the House of Representatives election "an equal Japan-U.S. alliance" as a catchphrase for its foreign policy. President Yukio Hatoyama has proposed building an East Asia joint community, a concept prioritizing relations between Japan, China and South Korea. The party, however, has presented no roadmaps for these proposals.

The DPJ has changed its initial policy stance regarding the Maritime Self-Defense Force's refueling mission in the Indian Ocean as assistance in the war on terror; host-nation support; U.S. force realignment including the transfer of the Futenma Air Station; and the Japan-U.S. Status of Forces Agreement (SOFA). These are issues that necessarily have an impact on the fundamental Japan-U.S. alliance.

The DPJ in its manifesto removed the wording "suspension of the refueling mission" and toned down the wording calling for a review of the SOFA. "It would not be wise for the party to have friction with the U.S. right after taking political power and to allow internal politics to be affected by it," commented a senior member of the party's Policy Research Council. However, arrangements are being made for a meeting between Hatoyama and U.S. President Barack Obama when Hatoyama visits the U.S. in late September and for the first visit to Japan by Obama in November. The DPJ must make its position clear prior to these diplomatic events.

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Besides the East Asia community concept, Hatoyama has also proposed introducing a common currency in Asia. These proposals apparently reflect his attention to China on account of its rapid growth on both economic and military fronts. Former DPJ president Ichiro Ozawa has visited China and met President Hu Jintao. China has also favorably taken to the DPJ, which has said that the prime minister will not worship at Yasukuni Shrine if the party takes over the reins of government.

(2) New era is about to start in Japan following general election

MAINICHI (Page 1) (Excerpts)
August 31, 2009

By Hiroto Kosuge, political news editor

A number of veteran lawmakers with records of achievement were defeated by first-time candidates backed by the Democratic Party of Japan (DPJ) in yesterday's Lower House election. Even a former prime minister failed to win election. This situation is indisputably "revolutionary," as described by DPJ President Yukio Hatoyama.

The Liberal Democratic Party (LDP) enjoyed a landslide victory in the Lower House election four years ago whose main issue was postal reform. During the period between the two elections, however, the problem of a gap in income with the risk of creating widespread homelessness became more serious, and the public began to be critical of the ruling parties for their policies.

In a crucial moment when the government had to address the downside of reform, two prime ministers relinquished their duties mid-term in succession. Some critics pointed out that the government is no longer capable of governing.

It would be more accurate, however, to conclude that the LDP had to postpone the general election until just before the expiration of the lawmakers' terms of office not because Prime Minister Taro Aso was indecisive but because the LDP was unable to face the people for its inability to complete its structural reforms.

Meanwhile, the DPJ won an overwhelming victory in the House of Councillors election in 2007. The main opposition party succeeded, if only briefly, in turning its proposals for suspending the Maritime Self-Defense Force's refueling mission in the Indian Ocean

and bringing down the prices of gasoline into reality. The party showed that changes could occur even in basic policies and steadily pushed ahead with preparations for a change of government.

Aso underscored his government's conservative credentials and demonstrated its past achievements. "It may not be what it once was, but it is still first-class." This saying used to be applied to the LDP, but people now see the LDP as "rotten."

Judging that the nation could no longer bear leadership passing from one person to another in the LDP, voters opted for a full-scale change of government. Among the industrialized countries Japan had been the only one that heretofore had not changed regime.

The new administration is tasked with building a new type of government and carrying out the policy measures in its manifesto.

The DPJ must maintain unity in the party under executive members'

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determination to carry out reform plans. The key to its success lies in this point.

Defects caused by the party's being a hodge-podge of groups have been left unsettled. In addition, the party now includes a number of new faces who do not know the ways of the Diet. It will not be easy to manage the party under such a situation.

Now that the party has achieved its goal of seizing political power, there is a request for Ichiro Ozawa, who greatly contributed to the party's victory. He will surely increase his clout over the party, against the backdrop of the new Ozawa group including new Ozawa children (Ozawa-backed first-time candidates) born in the election yesterday. But Ozawa should devote himself to promoting reforms to the last, instead of trying to exert his influence over them.

The new administration will unavoidably have a difficult time in the face of resistance from bureaucrats and those who are expected to lose their vested rights. If the DPJ just pays lip service to change, with an eye to the Upper House election next year, its pledges will prove hollow.

The voters cast ballots for a switch in power with full knowledge of the possible risks of a regime change. It therefore might be necessary for the people to watch the debut of the new administration patiently from a long-term perspective.

(3) Ozawa likely to be in charge of DPJ strategy for next year's Upper House election, Okada expected to remain as secretary general

MAINICHI (Page 1) (Abridged)
August 31, 2009

Hisae Ueno

The Democratic Party of Japan has begun making preparations for the transfer of power. With an eye on next year's House of Councillors election, Deputy President Ichiro Ozawa is likely to remain chief election strategist without joining a DPJ cabinet.

Also aiming to launch a Hatoyama administration in mid-September, the DPJ will urge on Aug. 31 or later the Social Democratic Party (SDP) and the People's New Party (PNP) join talks on forming a coalition government.

When the DPJ became certain to garner over 300 seats before dawn on Aug. 31, DPJ President Yukio Hatoyama held a press conference at a vote-counting center in Tokyo's Roppongi district. Hatoyama indicated that the top three party executives will continue to play the main roles in launching a DPJ administration. This means the current DPJ leadership, including Secretary General Katsuya Okada, will hold talks with the Aso cabinet for the transfer of power.

The DPJ had originally considered forming a transition team composed of party executives and prospective key cabinet ministers. But at the news conference, Hatoyama ruled out the idea of appointing some

cabinet ministers first, indicating that he will name his cabinet ministers all at once after he is elected prime minister.

Hatoyama also indicated during an NHK program last night that he will allow Ozawa to keep his current post with an eye on next year's Upper House election. If Ozawa takes charge of the DPJ's campaign

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for the Upper House election following yesterday's Lower House election, his influence in the party is certain to increase. Okada also explicitly said on an NHK program last night that Ozawa will not fill a cabinet post.

(4) LDP's support base collapses, floating voters back DPJ

SANKEI (Page 4) (Abridged)
August 31, 2009

The Sankei Shimbun yesterday conducted an exit poll of voters who voted in the election this time for the House of Representatives to ask the name of a candidate and the name of a political party they voted for. The Democratic Party of Japan (DPJ) gathered support from more than 50 PERCENT of floating or unaffiliated voters who do not support any particular political party, a major factor of the DPJ's great strides. The DPJ made inroads also into the population of Liberal Democratic Party (LDP) supporters and won support from nearly 30 PERCENT of LDP supporters. Among LDP supporters, however, those who voted for the LDP accounted for 50 PERCENT or so. It may safely be said that voters dissatisfied with the LDP government voted for the DPJ.

Among floating voters, 51.6 PERCENT voted for the DPJ in their proportional representation blocs.

At the time of the last election for the House of Representatives in 2005, the DPJ gathered support from 38.2 PERCENT of floating voters for proportional representation, with the LDP at 32.6 PERCENT. Among floating voters, the DPJ topped all other parties. Even so, the DPJ was utterly defeated with a total of 113 seats while the LDP garnered 296 seats.

After that, at the time of the election for the House of Councillors in 2007, the DPJ garnered votes from 51.2 PERCENT of floating voters. The DPJ then garnered a substantially large number of seats and became the largest part in the Diet's upper chamber. This time as well, the DPJ gathered support from more floating voters than in the election for the House of Councillors. The DPJ campaigned for a "change of government." This simple catchphrase seems to have penetrated the public.

In addition, the DPJ also garnered votes from 81.6 PERCENT of its supporters, up 4.0 points from 77.6 PERCENT in the last election. As seen from this figure, the DPJ consolidated its support base. Even in single-seat constituencies where the Japanese Communist Party (JCP) fielded candidates, 22.1 PERCENT of JCP supporters cast their votes for DPJ candidates. This shows that the DPJ was strong enough to gather wide-ranging support.

Meanwhile, the LDP won a landslide victory in the last election for the House of Representatives in 2005, focusing on the privatization of state-run postal services. In the election this time, the LDP's support from floating voters for proportional representation remained low at 15.6 PERCENT. This figure is 17.0 points lower than that in the last election. This means that the LDP's support from floating voters fell to almost a half. This time around, the tailwind blew for the DPJ unlike four years ago.

Seriously enough, the LDP failed to lock on votes from its supporters. The LDP garnered votes from 53.7 PERCENT of its supporters. This means that almost half of LDP supporters cast their

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votes for other parties. Among them, those who support the LDP but voted for the DPJ accounted for 29.4 PERCENT. This fact clearly

shows that the LDP's support base has collapsed.

A similar trend was seen in the nation's single-seat constituencies. Among LDP supporters, 59.8 PERCENT voted for LDP candidates, while 30.9 PERCENT cast their votes for the DPJ.

The LDP has so far formed a coalition government with the New Komeito party for 10 years. In the election campaign this time, however, their cooperation was eclipsed.

Among New Komeito supporters, 67.7 PERCENT on average in the nation's 300 single-seat constituencies voted for LDP candidates. This figure decreased from the last election (72.3 PERCENT). Meanwhile, 16.6 PERCENT of New Komeito supporters cast their votes for DPJ candidates, up from 11.5 PERCENT in the last election. Even New Komeito supporters voted for the DPJ.

Meanwhile, among LDP supporters, those who voted for the New Komeito in their proportional representation blocs accounted for only 6.1 PERCENT . In past elections for the House of Representatives under the LDP-Komeito coalition, LDP candidates used to campaign for the New Komeito in proportional representation blocs. However, the LDP was expected to sustain a disastrous defeat in history in the election this time. So it seems that LDP supporters could not afford to cast their votes for the New Komeito in their proportional representation blocs.

(5) Exit poll: 30 PERCENT of LDP supporters vote for DPJ, 60 PERCENT of floating votes cast for DPJ

MAINICHI (Page 2) (Abridged)
August 31, 2009

The Mainichi Shimbun yesterday conducted an exit poll of about 280,000 voters at polling stations throughout the country who cast their votes in the general election for the House of Representatives. In the exit poll, voters were asked which political party's candidate and which political party they voted for. Among Liberal Democratic Party (LDP) supporters, 60 PERCENT answered that they voted for the LDP's candidate in their single-seat constituencies. However, 31 PERCENT of them gave the name of a candidate who ran from the Democratic Party of Japan (DPJ). Also in the nation's proportional representation blocs, 29 PERCENT of LDP supporters answered that they voted for the DPJ. It may safely be said that LDP supporters' dissatisfaction with the LDP helped the DPJ achieve a change of government.

Among those who voted in the general election, 36 PERCENT supported the LDP, 28 PERCENT the DPJ, 5 PERCENT the New Komeito, 4 PERCENT the Japanese Communist Party, and 2 PERCENT the Social Democratic Party. Those who answered "none," or floating voters with no particular party affiliation, accounted for 23 PERCENT .

LDP supporters cast their votes for DPJ candidates in the nation's single-seat constituencies. Among DPJ supporters, however, 84 PERCENT answered that they cast their votes for the DPJ. Among New Komeito party supporters, 68 PERCENT gave the name of an LDP candidate, but 17 PERCENT gave the name of a DPJ candidate. Among floating or unaffiliated voters, 59 PERCENT voted for the DPJ's candidate, with 23 PERCENT casting their votes for the LDP's

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candidate. This time around, the DPJ outdistanced the LDP among floating voters.

Among LDP supporters, 54 PERCENT answered that they cast their votes for the LDP in their proportional representation blocs, with 29 PERCENT saying they voted for the DPJ. This clearly shows that LDP supporters distanced themselves from the LDP in the nation's proportional representation blocs as well. Among DPJ supporters, 82 PERCENT answered that they voted for the DPJ in their proportional representation blocs. Among floating or unaffiliated voters, 52 PERCENT voted for the DPJ and 16 PERCENT for the LDP. The gap was wider than that of an exit poll during the 2005 election for the House of Representatives (38 PERCENT for the DPJ, 32 PERCENT for the LDP).

(6) LDP, New Komeito's Fall (Part 1): Flabbergasted, speechless, feeling of despair in the air; further confusion in LDP possible after Aso; New Komeito leader, secretary general's resignation inevitable

SANKEI (Page 2) (Full)
August 31, 2009

Fumito Ishibashi

Four years after its record victory in the election over postal privatization, the Liberal Democratic Party (LDP) has now fallen on hard times. Former Prime Minister Koizumi's promise to "destroy the LDP" was fulfilled after eight years. This crushing defeat has rendered the party's leadership flabbergasted, and it appears that they will take time to start moving toward the regeneration of the party. The giant party that had practically monopolized political administration over a half a century has crumbled phenomenally.

Prime Minister Taro Aso appeared at the press room on the fourth floor of the LDP headquarters at 10:14 p.m. "We must seriously accept the people's verdict and start anew based on a reflection of what happened," he said. "All the candidates did everything in their power, and I strongly feel my own inadequacy that led to this outcome. I am really sad that economic recovery is still half accomplished... (ellipsis in original)"

"The next president should be selected promptly through a presidential election," he said, announcing his resignation. "From now I would like to contribute to the regeneration of the party as a member."

He appeared to be surprisingly relieved. He analyzed the defeat as follows: "We were unable to dispel the long years of distrust and discontent against the LDP." However, when asked if his postponement of the dissolution of the Diet last fall was an underlying cause of the debacle, he disagreed: "Faced with an economic crisis, it was not wrong to give priority to policies over political maneuvering," he said. "The economic measures we implemented for the people's livelihood were absolutely right."

"Is this reality?"

An eerie silence prevailed at the LDP headquarters during the daytime on August 30. A whiteboard listing the names of the LDP's official candidates hung on the wall of the press room. Hardly any Diet members were in the room; only the party's employees were busy

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going in and out. In the afternoon, after the results of the media outlets' exit polls became known, the atmosphere became even more ominous.

At 7:00 p.m. Secretary General Hiroyuki Hosoda arrived at the party headquarters wearing a grim expression. He told reporters, "I have nothing to say until the results are known," and then hurried into his office. Forty-five minutes later, Hosoda secretly left the party headquarters through the backdoor. He went to the prime minister's official living quarters to convey his desire to resign.

Voting ended at 8:00 p.m. but the only person who appeared at the press room was Election Strategy Council Vice Chairman Yoshihide Suga. When the TV stations reported that exit polls showed that the LDP had suffered a crushing defeat, Suga was flabbergasted: "I had thought that this would not be possible, but is this reality? It seems that an invisible force has shaken things up. Were we too much removed from the viewpoint of the people?"

Hosoda returned to the party headquarters from the prime minister's official quarters some time past 8:30 p.m. He entered the press room with a stern expression and began to put away the red ribbons on the whiteboard where election results were shown. He was greeted by brief and scattered applause from party officials, but then the room once again became as quiet as a wake.

The situation was similar for New Komeito, the LDP's coalition partner for 10 years. A somber mood prevailed at the party headquarters in Shinjuku Ward, Tokyo, the location of its election center.

Party leader Akihiro Ota gave the following analysis of why the party lost: "The achievements of our party were not fully conveyed to the voters. I would like to thank the party members and supporters and members of the Soka Gakkai who supported us amid the adverse wind."

Ota is not the only senior New Komeito official who failed to get elected. Secretary General Kazuo Kitagawa and former Secretary General Tetsuzo Fuyushiba, likewise, lost. The party has suffered its worst defeat in history, winning far fewer than the 31 seats it held before the election. While Ota says that the party will "value its long years of a relationship of trust with the LDP," Deputy Secretary General Yosuke Takagi indicated the relationship with the new administration will be on an "issue-by-issue basis" in order to realize the party's own policies. Since a "coalition of opposition parties" is improbable, the honeymoon between the LDP and New Komeito is no longer possible.

When Ota, following an appearance on a TV program, was told by reporters that he lost his Diet seat, he listlessly said "oh," and nothing more. Tears welled up in his eyes.

Potential for disintegration

Many former prime ministers, former secretaries general, faction leaders, and other LDP heavyweights lost their Diet seats. The party has now fallen into a state where even prospects for its managing itself are unclear, much less setting a course for the its regeneration.

The prime minister has announced his resignation as party president,

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but with his term of office expiring by the end of September, the LDP is in no position to hold a major presidential election. If it is unable to hold an election before the special Diet session is convened, it is fully possible that LDP Diet members will have to vote for Aso, who has announced his resignation as party president, for prime minister. There is as yet no obvious successor to Aso, while there is persistent serious conflict between the liberals and the conservatives in the party. If the presidential election results in confusion, this may potentially cause the LDP's disintegration.

Will the LDP be able to unite as an opposition party to confront the new administration? When the prime minister, who is now a "defeated general," was asked about the path to the LDP's regeneration, he replied: "The LDP is a conservative political party. We will preserve what needs to be preserved and change what needs to be changed. Protecting the family, the local community, and the country - conservatism is the foundation on which Japan is built. We must take this to heart."

Will the LDP be able to make a new start as a conservative party? The party is at a crossroads.

(7) and (8) are corrected copies from today's Morning Highlights

(7) TOP HEADLINES

Asahi:

DPJ wins 308 seats, change of administration: Hatoyama to become prime minister

Mainichi:

DPJ wins 308 seats, captures political power; PM Hatoyama to be elected at Lower House; First full-fledged change of administration in history

Yomiuri:

DPJ wins 308 seats, change of administration; LDP wins only 119 seats, suffers historic defeat

Nikkei:

DPJ wins 308 seats, change of administration; Hatoyama cabinet to be formed mid-September; LDP suffers historic defeat

Sankei:

The day that changed history: DPJ wins landslide history; LDP suffers crushing defeat

Tokyo Shimbun:

DPJ wins 308 seats, change of administration; LDP wins only 119 seats, suffering unprecedented defeat

Akahata:

LDP, New Komeito suffer historic defeat; People pronounce their verdict

(8) EDITORIALS

Asahi:

(1) Landslide victory for DPJ, change of administration: Respond to the overwhelming popular will

Mainichi:

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(1) The people changed Japan: A change of administration in the spirit of the Meiji Restoration

Yomiuri:

(1) DPJ administration now a reality: Meet the expectations for change and shoulder the heavy responsibility

Nikkei:

(1) The people bet on a DPJ administration under Hatoyama

Sankei:

(1) DPJ administration: Protect national interest with a pragmatic line; conservative revival is LDP's path to survival

Tokyo Shimbun:

(1) The wheel of history turned: DPJ wins landslide victory; LDP defeated

Akahata:

(1) Historic verdict: the LDP-New Komeito administration forced to step down

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